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SUBJECT: KING ABDULLAH'S 2007 EUROPEAN TOUR - PART 1

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Classified By: CLASSIFIED BY DEPUTY CHIEF OF MISSION MICHAEL  
GFOELLER FOR REASONS 1.4(B) AND (D).

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SUMMARY  
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¶1. (U) King Abdullah kicked off a week-long series of state visits to both European and Arab nations on June 18. The King has already visited Spain, France, and Poland, and will next visit the Kingdom of Jordan before concluding his tour at Sharm al-Sheikh in Egypt, where he will meet with Egyptian President Husni Mubarak. In meetings with European leaders, the King has emphasized the need for Europe to take an active role in stabilizing the situations in Israel, Palestine, Lebanon, and Iraq. Simultaneously, the King has sought to strengthen bilateral economic ties and enhance business interests with Spain, France, and Poland.

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Peacemaking Efforts  
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¶2. (U) According to local press reports, King Abdullah has emphasized in meetings with heads of state in Spain, France, and Poland, that the violence in Israel, Palestine, Lebanon, and Iraq must be stopped. The King characterized the situation in the Middle East as "explosive" and petitioned the European community to help contained the bloodshed before it spreads to other countries and threatens to become a worldwide conflict. In an interview with Spain's leading daily newspaper, El Pais, the King said, "My fears are similar to those of all sensible people that the continuation of all these conflicts will provoke an explosion that will not be restricted to the region, but will have global dimensions."

¶3. (U) In support of the King's campaign, Spain asked the Palestinians to consider allowing UN-sponsored international forces into the territories to monitor the cease fire between Hamas and Fatah. Speaking at a press conference in Madrid, Saudi Minister of Foreign Affairs Prince Saud al-Faisal, who is traveling with the King, called on Hamas and Fatah to recommit to the February 2007 Mecca Agreement and confirmed the Arab League's continuing support for Palestinian President Mahmoud Abbas as a moderate leader. In France, discussions between the King and President Sarkozy centered around the Lebanese and Palestinian conflicts, the war in Iraq, the war on terrorism, and prevention of nuclear proliferation in the Middle East. President Sarkozy also announced his support for the King's 2002 Arab Peace Plan, which was revived during the March 2007 Arab League Summit in Riyadh.

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Bilateral Relations  
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¶4. (U) Spain: During the King's visit to Spain, the two countries agreed to establish a \$5 billion investment fund to finance a host of projects in the realm of infrastructure development, energy, new technologies, tourism, and defense. Saudi Finance Minister Ibrahim Al-Assaf explained that the fund will be financed entirely by the private sector and should encourage investment by reducing the tax burden on shareholders. The King also signed an agreement with the Spanish Government to prevent goods traded between the two countries from being double taxed, and also codified a Memorandum of Understanding (MOU) between the countries' health ministries. Members of the King's delegation also met with Spanish businessmen to discuss planned infrastructure and construction projects in Spain and Saudi Arabia.

¶5. (U) France: A joint Saudi-French statement was signed with French President Nicolas Sarkozy to boost cooperation in the fields of higher education and scientific research. According to a statement released by the French Embassy in Riyadh, Saudi Arabia is one of France's most important trade partners. The trade volume between France and the Kingdom during Fiscal Year 2006 (FY06) rose to \$7.89 billion according to official Saudi news reports, with Saudi exports valued at \$5.45 billion and French exports reaching \$2.25 billion. Al-Assaf reportedly met with his French counterpart, Christine Lagarde, to discuss the Kingdom's railroad projects, the energy sector, and mutual trade and investment. President Sarkozy also accepted an invitation to visit Saudi Arabia later this year.

¶6. (C) Poland: As of 25 June, the King's visit to Poland is still ongoing. King Abdullah is scheduled to meet with several Polish officials and will receive a warm welcome according to Poland's ambassador in Riyadh, Adam Kulach. As stated in reftel, plans for the King's visit to Poland were discussed during Polish Foreign Minister's latest visit to the Kingdom on 9 May 2007. The King is expected to speak with the Polish President Lech Kaczynski and Polish Prime Minister Jaroslaw Kaczynski and sign six agreements to promote cooperation in the areas of economy, science, education and technology, health, and crime fighting. According to Kulach, King Abdullah enjoys wide popularity in Poland due to his personal financing of the separation of conjoined Polish twins at King Abdul Aziz Medical City in Riyadh in 2005.

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Comment  
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¶7. (C) The King's European tour is a logical step forward for Saudi Arabia's campaign to bolster its role as regional peacemaker and enhance the SAG's influence within the region. The King's choice to start his tour with Spain is significant because Spain sponsored the Madrid Conference in 1991, which paved the way for the Oslo Accords in 1993. Similarly, France retains considerable influence in the region due to its many centuries of close historical involvement with the Arab world. The move by King Abdullah is not only a way to reaffirm commitments from European nations with historical ties to the Middle East, but also an opportunity for these countries to form strategic partnerships with the Kingdom on key issues of oil and economic trade. End Comment.

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